

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

---

SAMSUNG ELECTRONICS CO., LTD.,  
SAMSUNG ELECTRONICS AMERICA, INC.,  
SAMSUNG TELECOMMUNICATIONS  
AMERICA GENERAL, L.L.C.,  
SAMSUNG SEMICONDUCTOR, INC., and  
SAMSUNG AUSTIN SEMICONDUCTOR L.L.C.,

Plaintiffs,

v.

ON SEMICONDUCTOR CORP.

and

SEMICONDUCTOR COMPONENTS  
INDUSTRIES, LLC,

Defendants.

---

Civil Action No. 06-CV-0720 (\*\*\*)

**PLAINTIFFS' MOTION TO REASSIGN CASE**

Plaintiffs Samsung Electronics Co., Ltd. ("SEC"), Samsung Electronics America, Inc. ("SEA"), Samsung Telecommunications America General, L.L.C. ("STA"), Samsung Semiconductor, Inc. ("SSI"), and Samsung Austin Semiconductor, L.L.C. ("SAS") (collectively, "Plaintiffs"), hereby move to have this action reassigned to a District Judge of this Court. This motion is necessitated by Defendants' refusal to consent to having Magistrate Judge Thyng — to whom this action was assigned for pretrial proceedings following Judge Jordan's elevation to the Third Circuit — decide the two pending motions to dismiss filed by Defendants (D.I. 14 and 25). Defendants are attempting to use that refusal to gain an unfair advantage over Plaintiffs in

this Court and in the Eastern District of Texas where Defendants filed a duplicative action after this action was filed.

## **I. BACKGROUND**

SEC filed its original declaratory-judgment Complaint in this action (the “Delaware Action”) on November 30, 2006, seeking a declaration that three United States patents purportedly owned by Defendants are invalid and not infringed by SEC (D.I. 1). This action was assigned to Judge Jordan on December 6, 2006, and was subsequently assigned to Magistrate Judge Thyng for pretrial proceedings following Judge Jordan’s elevation to the Third Circuit.

On December 4, 2006, Defendants filed an infringement action against SEC in the United States District Court for the Eastern District of Texas, Case No. 6:06 cv 523 (the “Texas Action”), alleging infringement by SEC of the same three patents at issue in the Delaware Action, as well as a fourth patent. Defendants also named four SEC affiliates as co-defendants in the Texas Action —SEA, STA, SSI, and SAS.

Plaintiffs filed an Amended Complaint in the Delaware Action on December 21, 2006, adding SEA, STA, SSI, and SAS as co-plaintiffs with SEC, adding claims for declaratory judgment of noninfringement and invalidity of the ‘827 patent, and adding a claim against Defendants for infringement of an SEC patent (D.I. 8). Plaintiffs also filed on December 21, 2006 a motion to enjoin Defendants from pursuing the Texas Action (D.I. 10-12.)

On December 26, 2006, Plaintiffs SEA, STA, SSI, and SAS filed a motion to transfer the Texas Action to this Court pursuant to the Fifth Circuit’s first-to-file rule.<sup>1</sup> That motion is fully briefed and pending before the Texas court.

---

<sup>1</sup> SEC, a Korean company with offices in Korea, has not been served with the Complaint in the Texas Action, and therefore did not join in the motion to transfer. If and when SEC is served by Defendants in the Texas Action via the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents, it will join in the motion to transfer.

On December 27, 2006, Defendants filed a motion to dismiss the original Complaint, alleging that this Court does not have subject matter jurisdiction over this action because SEC did not have a reasonable apprehension of suit when it filed the original Complaint on November 30, 2006 (D.I. 14). On January 11, 2007, Defendants filed an opposition to Plaintiffs' motion to enjoin (D.I. 24), as well as a motion to dismiss the Amended Complaint (D.I. 25). The motions to dismiss and motion to enjoin are fully briefed.

On February 5, 2007, Plaintiffs notified Defendants that they consented to Magistrate Judge Thyng's jurisdiction over the pending motions to dismiss and motion to enjoin, and inquired whether Defendants also consented. (Ex. A.) Defendants responded on February 8, 2007, informing Plaintiffs that they did not consent to Magistrate Judge Thyng deciding the pending motions. (Ex. B.)

## **II. ARGUMENT**

Defendants are unfairly citing Judge Jordan's elevation to the Third Circuit, and the fact that Magistrate Judge Thyng does not have the statutory authority to decide the pending motions to dismiss absent their consent — which they are withholding — as reason for both this Court and the Texas court to depart from the first-filed rule. For example, Defendants made the following argument to the Texas court in opposing Plaintiffs' motion to transfer the Texas Action to this Court:

Transferring this action to Delaware would deny ON Semiconductor timely adjudication of its patent rights . . . and relegates ON Semiconductor to waiting for nomination and confirmation of a judge before its motion to dismiss SEC's improperly filed declaratory judgment action can be decided or the action can be fully prosecuted.

(Ex. C, at 16.)

While there is no reason to believe at this juncture that a replacement for Judge Jordan will not be promptly named or that the resolution of this action will be delayed at all, Defendants

should not be permitted to gain an unfair advantage by manufacturing the potential for delay through the filing of dispositive motions coupled with a refusal to consent to Magistrate Judge Thyng's jurisdiction. Moreover, SEC should not be deprived of its choice of forum because Judge Jordan was elevated to the Third Circuit. SEC obviously had no control over which Judge was originally assigned to this case, or over the timing of Judge Jordan's elevation.

This action is the first-filed action, and this Court, not the second-filed Texas court, should decide where this case should proceed. *See, e.g., Cadle Co. v. Whataburger of Alice, Inc.*, 174 F.3d 599, 606 (5th Cir. 1999) (under the "first-to-file" rule, the court in which an action is first filed is the appropriate court to determine whether subsequently filed cases involving substantially similar issues should proceed). Thus, to ensure that this Court decides where the parties' dispute should be resolved, Plaintiffs respectfully request reassignment of this case to a District Judge of this Court.

WHEREFORE, Plaintiffs respectfully request that the Court enter an order (i) reassigning this case to District Judge of this Court; and (ii) granting such further relief as the Court deems just and proper.

Respectfully submitted,

Dated: February 17, 2007

/s/ Andrew A. Lundgren  
 Josy W. Ingersoll (No. 1088)  
 John W. Shaw (No. 3362)  
 Andrew A. Lundgren (No. 4429)  
**YOUNG CONAWAY STARGATT  
 & TAYLOR LLP**  
 The Brandywine Building  
 1000 West Street  
 P.O. Box 391  
 Wilmington, Delaware 19899-0391  
 (302) 571-6600  
 alundgren@ycst.com

OF COUNSEL:

John M. Desmarais

James E. Marina

**KIRKLAND & ELLIS LLP**

153 East 53<sup>rd</sup> Street

New York, New York 10022-4675

(212) 446-4800

*Attorneys for Plaintiffs Samsung Electronics  
Co., Ltd., Samsung Electronics America, Inc.,  
Samsung Telecommunications America  
General, L.L.C., Samsung Semiconductor,  
Inc., and Samsung Austin Semiconductor,  
L.L.C.*

**CERTIFICATE OF SERVICE**

I, Andrew A. Lundgren, Esquire, hereby certify that on February 17, 2007, I caused to be electronically filed a true and correct copy of the foregoing document with the Clerk of the Court using CM/ECF, which will send notification that such filing is available for viewing and downloading to the following counsel of record:

Karen Jacobs Loudon, Esquire  
Morris Nichols Arsht & Tunnell  
1201 North Market Street  
PO Box 1347  
Wilmington, DE 19899-1347

I further certify that on February 17, 2007, I caused a copy of the foregoing document to be served by **hand delivery** on the above-listed counsel of record and on the following non-registered participants in the manner indicated:

**BY E-MAIL**

Kenneth R. Adamo, Esquire  
Jones Day  
2727 North Harwood Street  
Dallas, TX 75201

T. Gregory Lanier, Esquire  
Behrooz Shariati, Esquire  
Jones Day  
2882 Sand Hill Road, Suite 240  
Menlo Park, CA 94025

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ ANDREW A. LUNDGREN  
Andrew A. Lundgren (No. 4429)  
The Brandywine Building  
1000 West Street  
Wilmington, DE 19801  
302-571-6600  
alundgren@ycst.com

# **EXHIBIT A**

## YOUNG CONAWAY STARGATT & TAYLOR, LLP

BEN T. CASTLE  
SHELDON N. SANDLER  
RICHARD A. LEVINE  
RICHARD A. ZAPPA  
FREDERICK W. IOBST  
RICHARD H. MORSE  
DAVID C. MCBRIDE  
JOSEPH M. NICHOLSON  
CRAIG A. KARSNITZ  
BARRY M. WILLLOUGHBY  
JOSY W. INGERSOLL  
ANTHONY G. FLYNN  
JEROME K. GROSSMAN  
EUGENE A. DIPRINZIO  
JAMES L. PATTON, JR.  
ROBERT L. THOMAS  
WILLIAM D. JOHNSTON  
TIMOTHY J. SNYDER  
BRUCE L. SILVERSTEIN  
WILLIAM W. BOWSER  
LARRY J. TARABIOS  
RICHARD A. DILIBERTO, JR.  
MELANIE K. SHARP  
CASSANDRA F. ROBERTS  
RICHARD J.A. POPPER  
TERESA A. CHEEK  
NEILLI MULLEN WALSH

JANET Z. CHARLTON  
ROBERT S. BRADY  
JOEL A. WAITE  
BRENT C. SHAFFER  
DANIEL P. JOHNSON  
CRAIG D. GREAR  
TIMOTHY JAY HOUSEAL  
MARTIN S. LESSNER  
PAULINE K. MORGAN  
C. BARR FLINN  
NATALIE WOLF  
LISA B. GOODMAN  
JOHN W. SHAW  
JAMES P. HUGHES, JR.  
EDWIN J. HARRON  
MICHAEL R. NESTOR  
MAUREEN D. LUKE  
ROLIN P. BISSELL  
SCOTT A. HOLT  
JOHN T. DORSEY  
M. BLAKE CLEARY  
CHRISTIAN DOUGLAS WRIGHT  
DANIELLE GIBBS  
JOHN J. PASCHETTO  
NORMAN M. POWELL  
ELENA C. NORMAN

THE BRANDYWINE BUILDING  
1000 WEST STREET, 17TH FLOOR  
WILMINGTON, DELAWARE 19801

P.O. Box 391  
WILMINGTON, DELAWARE 19899-0391

(302) 571-6600  
(800) 253-2234 (DE ONLY)  
FAX: (302) 571-1253

110 WEST PINE STREET  
P.O. Box 594  
GEORGETOWN, DELAWARE 19947  
(302) 856-3571  
(800) 255-2234 (DE ONLY)  
FAX: (302) 856-9338

WWW.YOUNGCONAWAY.COM

DIRECT DIAL: 302-571-6743  
DIRECT FAX: 302-571-3511  
alundgren@ycsl.com

JOSEPH M. BARRY  
SEAN M. BEACH  
SANJAY BHATTNAGAR  
DONALD J. BOWMAN, JR.  
TIMOTHY P. CAIRNS  
JEFFREY T. CASTELLANO  
KARA HAMMOND COYLE  
KRISTEN SALVATORE DEPALMA  
MARGARET M. DIBIANCA  
MARY F. DUGAN  
ERIN EDWARDS  
KENNETH J. ENOS  
IAN S. FREDERICKS  
JAMES J. GALLAGHER  
SEAN T. GREECHER  
STEPHANIE L. HANSEN  
DAWN M. JONES  
KAREN E. KELLER  
JENNIFER M. KINKUS  
EDWARD J. KOSNOWSKI  
JOHN C. KUFFEL  
KAREN LANTZ  
TIMOTHY E. LENGKEEK

SPECIAL COUNSEL:  
JOHN D. MCLAUGHLIN, JR.  
KAREN L. PASCALE  
PATRICIA A. WIDDROSS

ANDREW A. LUNDGREN  
MATTHEW B. LUNN  
JOSEPH A. MALFITANO  
ADRIA B. MARTINELLI  
MICHAEL W. MCDERMOTT  
MARIBETH L. MINELLA  
EDMON L. MORTON  
D. FON MUTTAMARA-WALKER  
JENNIFER R. NOEL  
ADAM W. POFF  
SETH J. REIDENBERG  
SARA BETH A. REYBURN  
CHERYL A. SANTANIELLO  
(NJ & PA ONLY)  
MICHELE SHERRETTA  
MONTE T. SQUIRE  
MICHAEL P. STAFFORD  
CHAD S.C. STOVER  
JOHN E. TRACEY  
TRAVIS N. TURNER  
MARGARET B. WHITEMAN  
SHARON M. ZIEG

SENIOR COUNSEL  
CURTIS J. CROWTHER

OF COUNSEL  
BRUCE M. STARGATT  
STUART B. YOUNG  
EDWARD B. MAXWELL, 2ND

February 5, 2007

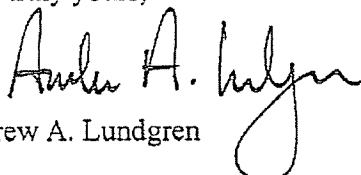
Karen Jacobs Loudon  
Morris Nichols Arsht & Tunnell LLP  
1201 N. Market Street  
Wilmington, DE 19801

Re: Samsung Electronics Co. Ltd. v. ON Semiconductor Corp., C.A. No. 06-720

Dear Karen:

Please let us know whether Defendants object to Magistrate Judge Thyng deciding Plaintiffs' pending motion to enjoin (D.I. 10) and Defendants' two pending motions to dismiss (D.I. 14 and 25). Plaintiffs have no objection to Magistrate Judge Thyng deciding these motions.

Very truly yours,

  
Andrew A. Lundgren

AAL:cac

cc: James Marina, Esquire



# **EXHIBIT B**

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

1201 NORTH MARKET STREET  
P.O. Box 1347  
WILMINGTON, DELAWARE 19899-1347

302 658 9200  
302 658 3989 FAX

KAREN JACOBS LOUDEN  
302 351 9227  
302 425 4681 FAX  
klouden@mnat.com

February 8, 2007

By Hand

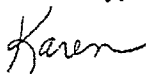
Andrew A. Lundgren, Esq.  
Young, Conaway, Stargatt & Taylor  
The Brandywine Building  
1000 West Street, 17th Floor  
Wilmington, DE 19899-0391

Re: Samsung Electronics Co. v. ON Semiconductor Corp., C.A. No. 06-720

Dear Andrew:

I write in response to your February 5, 2007 letter, in which you ask whether defendants ("ON Semiconductor") object to Magistrate Judge Thyng deciding Plaintiff's pending motion to enjoin (D.I. 10) and ON Semiconductor's two pending motions to dismiss (D.I. 14 and 25). ON Semiconductor does not consent to the Magistrate Judge deciding those motions, which implicate important substantive rights. Defendants' motions to dismiss are case dispositive and plaintiff's motion seeks injunctive relief. By statute, such matters are to be decided by an Article III Judge. *See* 28 U.S.C. § 636(b). ON Semiconductor is not willing to waive its statutory right. In any event, we do not see how having Judge Thyng decide these motions would be likely to expedite matters given what we understand about her caseload.

Sincerely,



Karen Jacobs Loudon

730454.2

FEB 09 2007

# **EXHIBIT C**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
TYLER DIVISION

ON SEMICONDUCTOR CORPORATION,

and

SEMICONDUCTOR COMPONENTS  
INDUSTRIES, L.L.C.

Plaintiffs,

v.

SAMSUNG ELECTRONICS CO., LTD.,  
SAMSUNG ELECTRONICS AMERICA, INC.,  
SAMSUNG TELECOMMUNICATIONS  
AMERICA GENERAL, L.L.C.,  
SAMSUNG SEMICONDUCTOR, INC., and  
SAMSUNG AUSTIN SEMICONDUCTOR, L.L.C.,

Defendants.

Civil Action No. 6:06-CV-523

Judge Leonard Davis

ON SEMICONDUCTOR'S  
OPPOSITION TO SAMSUNG'S  
MOTION TO TRANSFER TO  
THE DISTRICT OF DELAWARE  
PURSUANT TO THE FIRST-TO-  
FILE RULE

FILED UNDER SEAL

Kenneth R. Adamo  
Hilda C. Galvan  
JONES DAY  
2727 North Harwood Street  
Dallas, TX 75201-1515  
(214) 220-3939

Tharan Gregory Lanier  
Behrooz Shariati  
JONES DAY  
2882 Sand Hill Road, Suite 240  
Menlo Park, CA 94025  
(650) 739-3939

Dated: January 8, 2007

Michael C. Smith  
THE ROTH LAW FIRM  
115 N. Wellington, Suite 200  
Marshall, TX 75670  
(903) 935-1665

*Attorneys for ON Semiconductor Corp. and  
Semiconductor Components Industries,  
L.L.C.*

declaratory judgment action and wise judicial administration instructs that such an abuse of the judicial system should not be rewarded.

**3. Granting This Motion May Deny ON Semiconductor The Prompt Legal Resolution Of Its Patent Rights To Which It Is Entitled**

By Standing Order, the Delaware action has been “reassigned to [a] vacant judicial position” since December 15, 2006. (Lanier Dec., Ex. 4.) ON Semiconductor filed a motion to dismiss the Delaware action for lack of subject matter jurisdiction on December 27, 2006, and has received no indication of when the motion will come before a judge with authority to decide it. (Lanier Dec., Ex. 1.) Transferring this action to Delaware would deny ON Semiconductor timely adjudication of its patent rights, including rights to the ‘827 patent, and relegates ON Semiconductor to waiting for nomination and confirmation of a judge before its motion to dismiss SEC’s improperly filed declaratory judgment action can be decided or the action can be fully prosecuted. This result would be at odds with the very purpose of the Declaratory Judgment Act, under which SEC brought the Delaware Action, which is to permit a party to initiate legal action where the interests of another party to a dispute “may be served by delay in taking legal action.” *BP Chems. Ltd. v. Union Carbide Corp.*, 4 F.3d 975, 977 (Fed. Cir. 1993). As such, sound judicial administration calls for this motion to be denied so the Declaratory Judgment Act itself cannot be used to delay these proceedings.

This current motion is different from other motions to transfer patent actions under the first-filed rule, where courts “assume, of course, that there will be prompt action in the [transferee] theatre.” *Kerotest*, 342 U.S. at 183. Indeed, this Court has transferred actions under the first-filed rule to jurisdictions where judges were actively addressing the matters. *See National Instruments Corp. v. SoftWire Tech., LLC*, No. 2:03-CV-047, 2003 U.S. Dist. LEXIS 26952, \*\* 4-5 (E.D. Tex. May 9, 2003) (Ward, J.) (transferring to a district in which the Eastern